

BELMONT WARRANT COMMITTEE FY08 MEETING MINUTES  
FINAL  
FEBRUARY 6, 2008, 7:30 P.M.  
CHENERY MIDDLE SCHOOL COMMUNITY ROOM

Present: Chair Curtis; Members Allison, Brusch, Epstein, Heigham, Hofmann, Jones, Lynch, McLaughlin, Oates, Paolillo, White, and Widmer; Town Administrator Younger, Assistant Town Administrator Conti, Town Treasurer Carman; BOS Chair Firenze, School Committee Chair Bowe, Town Accountant Hagg Absent: Member Callanan

The meeting was called to order at 7:31 pm by Chair Curtis.

Chair Curtis began the meeting by outlining the meeting's agenda, which included: minutes approval, subcommittee reports, and a budget (and budget gap) discussion.

Minutes of 1/23/2008 and 1/30/2008 The minutes of 1/23/08 and 1/30/08 were unanimously passed, after adjustments, with one abstention (from an absent member).

Subcommittee Report: General Government Member Heigham: General Government consists of a collection of small departments. Each department follows traditional functions, and each submitted a level service budget. It would be difficult for these small departments to take a 10% cut, which would result in cutting away necessary people.

Member Widmer suggested that the issue of the treasurer and town clerk salaries be addressed. It is incumbent on the WC to make a recommendation which is tied to management raises and tied to the market regarding these positions. He continued: It has been five years since we tested the market to get a midpoint range (that could guide us) from neighboring towns. Widmer suggested that perhaps Diane Crimmins could assist the WC in this mini-survey of checking five local communities and see if our salaries are above or below those midpoint ranges.

Member Brusch noted that \$12,000 from the Town Clerk's budget is allocated for a putative extra local election in FY 2009 and that, if this money is not so used, it becomes free cash. She suggested that this appropriation be eliminated and, if there is an extra election, it be financed by a reserve fund transfer. Member Heigham agreed.

Member Hofmann noted that many of the functions required of these small departments are statutory in nature: record keeping, license issuing, etc. Member White said that perhaps these tiny departments need to be reorganized in some way.

Subcommittee Report: Culture, Recreation, and Library Department of Health

Member Allison: The Department of Health has proposed a level service budget of \$450K, which is 1% of the total town budget. There is an 8% growth rate from 06-09. The Health Board has refused to offer any cuts, as many of their activities are mandated by the state. The Youth Commission (YC) is not mandated by state, and amounts to 10% of their total budget. The Health Department has requested an additional 15 hours per week (\$20K) for RN duties. We are currently budgeted for 10 hours and cannot fill that position. Donna Moulthrop, the Director, happens to be an RN and is currently performing the mandatory nursing duties, but this cannot continue as she may retire in the very near future. Member Allison noted that the Department is considering various alternatives including an increase in the hours offered or contracting with Lexington to purchase some time from a new RN position they may be creating. Town Administrator Younger noted that he had included this increase in RN capacity on his list of critical needs for the 2009 budget.

The question of fees came up - it appears that they have not been increased since 2003. Member Brusch: Although the town wants to be "business friendly" we may need to charge more for inspections, as the costs associated with doing the inspections has gone up.

Member Allison wondered if there was a duplication of services with the School Department and Recreation Department regarding the adolescents served by the Youth Commission. SC Chair Bowe said that the kids served by the Youth Commission are a very different population from

those served by School activities.. Member Lynch requested data from Chair Bowe regarding the YC's serving of distinctive subsets of teens.

### Council on Aging

Member Allison: The Council on Aging (COA) has submitted a budget of \$500K, which is 1.2% of town's budget, and has grown at 3.5 % over last 3 years (06-09). This department went through the zero based budget exercise, which showed that, with fringe benefits taken into account, the true expense is \$780,000, which means that there is \$280,000 spent to support this department that is not apparent in the way budgets have historically been done.

Member Allison outlined 6 issues:

- 1) Understanding the population and determining who is being served by the COA - are they reaching the same small core of people or are its efforts more widely reaching?
- 2) In looking at the services for the frail elderly and the services for the well elderly, we might ask: how are resources are divided between these 2 groups?
- 3) The town is subsidizing travel costs and massage therapy, with no means testing. We need to understand whose activities are being subsidized
- 4) Belmont is providing coordination for travel, trips, and other activities , which raises the costs.
- 5) Is there an overlap in services? (School Department? Recreation? Library
- 6) Last year, the WC had no cost estimations for operating the senior center. The COA is responsible for providing estimates of programmatic costs when the Senior Center opens but has not yet done so. Building Services needs to provide operating costs.

Chair Curtis asked if the town was required by statute to provide a COA. Member Jones offered that a town is not required by the State to have a COA. The State will provide for certain elders who meet a needs test.

Library

Member Lynch reviewed the Library budget, noting that requirements imposed by the Commonwealth and by the Minuteman network limit the town's ability to make cuts (e.g., no more than \$200,000 can be reduced from the proposed \$1.6 million increase without jeopardizing certain external funding). He noted that the Library Trustees were among three groups that did not provide suggestions for budget cuts.

Member Lynch noted two issues that have concerned the WC in the past: 1) There continues to be a mismatch between the scheduled hours of work for the unionized staff and the weekend hours desired by the community (this issue was not addressed in the most recent collective bargaining negotiations). 2) The Benton Branch Library is an underutilized capital asset, currently open only 1/2 day per week. He then commented on the wide variety of programs and services the library makes available to the community.

### Recreation

Member Jones reported about the Recreation Department. The news is that the programmatic revenues have exceeded operating costs. However, the Town (DPW) continues to pay for capital, maintenance, and operating costs of the facilities, including the maintenance staff. Regardless, the Underwood pool remains an issue. It may need to be closed. If so, that would reduce summer memberships, which might affect other programs elsewhere in the department. Member Bruschi added that as of 2 years ago, the sale of Underwood pool passes covered the cost of the pool, but not DPW costs. Member Heigham wondered if it was even possible to close the pool - it may be a "charitable trust" (this question will need looking into).

Member Jones provided some Culture and Recreation observations. He acknowledged that the "zero based budgeting" exercise helped significantly in showing the true costs of a department and their programs. The Library, COA, and Health Departments contain people who are working

very hard to provide services. In at least two of these departments, there is no direct reporting to the Town Administrator. There seems to be a history, Jones continued, of adding services. In doing so, these departments are fulfilling their mission statements in advocating for and providing services to specific populations e.g. the elderly, youth. There may be some overlap in services for the elderly as well as teens, and Jones suggested that perhaps these departments could be moved under a larger department which would report to the TA. This may provide an overall improvement and potential cost savings, the salary of the department head notwithstanding. Some of the services provided herein (subsidized trips, massage therapy, etc.) could be paid for by users. Budget Discussion Chair Curtis asked that the WC turn its attention to the handout "Comparison of FY08 Actual to FY09 Proposed Splits". This spreadsheet, which was prepared by Town Accountant Hagg, shows that the current revenue projection figure is \$79.2M. This assumes the use of \$1.3M of free cash for the operating budget (\$800K for operating expenses and \$500K in a Post Employment Health Insurance Stabilization Fund.)

Chair Curtis continued: The WC needs to give Town Administrator Younger and Superintendent Holland non-override numbers. (These numbers represent what they have to spend with no override.) They each need to apply this budget number to their operations, and come back and say "This is what it will mean (in cuts) to have this budget." Curtis said he would like to have the non-override numbers by Friday, February 15. He would like to hear comments from Mr. Younger and Dr. Holland at the March 1 meeting to learn the impact of these numbers. The WC will need to say how to use free cash - whether to use any? how much to carry over to next year? The WC should vote on what is an appropriate budget split between the town and the schools. Member Widmer added that the WC needs to also decide what amount to spend on post-employment health insurance (should we continue with the \$500K)? Chair Curtis reviewed the 4 budget variables that lay before the WC:

1. Revenue numbers: Will the revenue numbers be adjusted?
2. Free Cash: How much of the available free cash should be applied to the budget this year?
3. Revenue Split: What is the appropriate split of revenue between the town and the schools?
4. Funding Post Employment Health Insurance: The extent to which we fund post employment health insurance.

BOS Chair Firenze asked about the level service budget increase of 7% from health insurance savings. Town Accountant Hagg replied that she is not, at this point, projecting savings. The assumption is to build the reserves over a 2 year period - this is happening without plan design changes. The rate of savings should increase when plan design changes kick in. Member Widmer posed an override process question: When does the WC decide about an override on the ballot under this scenario? What is the sequencing? Member Bruschi replied that in order to make the April 7 ballot, this has to go to the Town Clerk 35 days ahead. So if an override is to be considered by the voters on April 7, the BOS needs to make the decision at the beginning of March (1 or 3). However there is another alternative: we could still go to the April Town Meeting with 2 or more override scenarios and let TM decide which level of spending to recommend to the BOS to be placed on a ballot. Town Meeting would then need to vote 2 budgets, one if the override passes and one if it fails. This is the method we used in 2002, and if we do it this way, we do not have to come back to TM after an override vote (we would have covered both options already, each would be conditional on the results of the special election). Member Widmer agreed this might be a good approach.

Chair Curtis stated that variables 2, 3, and 4 can be resolved by next Wednesday's meeting, at which point Dr. Holland and Mr. Younger will have their non-override numbers. Curtis added that the free cash amount and post employment health contribution impacts the budget numbers. Town Accountant Hagg noted that the \$500K for post employment health insurance is a "drop in the bucket" compared to meeting our annual required contribution. Member Widmer added that most communities are finding it impossible to meet their obligation. The quandary is that this can't be funded within Proposition 2 ½.

Regarding the town/school split, Member Paolillo asked if the WC is wedded to the split number it arrives at - it'd be helpful to know the cuts. Chair Curtis replied that the number would be analyzed when we hear back (from Younger and Holland) regarding cuts..

Chair Curtis concluded the meeting by stating that the WC had successfully framed next week's discussion.

Member Heigham moved that the WC adjourn at 9:33 pm.

Submitted by Lisa Gibalerio  
WC Recording Secretary